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ADULT AND COMMUNITY POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Meeting to be held on Thursday 26 January 2012

Please see the attached updated appendices to the below items.

8b BUDGET MONITORING 2011/12 (Pages 3 - 8)

8c DRAFT 2012/2013 BUDGET (Pages 9 - 12)

*Copies of the documents referred to above can be obtained from
www.bromley.gov.uk/meetings*

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Adults and Community Services Budget Monitoring Summary

2010/11 Actuals £	Division Service Areas	2011/12 Original Budget £	2011/12 Latest Approved £	2011/12 Projection £	Variation £	Notes	Variation Last Reported £	Full Year Effect £
-88,393	Care Services							
	AIDS-HIV Grant	190	190	112	-78	1	-40	0
31,031,441	Assessment and Care Management	32,124	32,470	32,701	231	2	208	403
7,892,328	Direct Services	5,321	4,867	4,967	100	3	154	0
2,055,739	Learning Disabilities Care Management	2,230	2,380	2,380	0		139	0
2,035,733	Learning Disabilities Day Services	2,030	2,030	2,030	0		0	0
1,412,205	Learning Disabilities Housing & Support	1,317	1,328	1,328	0		0	0
0	MH & AIDS-HIV Grant	0	0	0	0		0	0
44,339,054		43,212	43,265	43,518	253		461	403
	Commissioning and Partnerships - ACS Portfolio							
2,728,613	Commissioning and Partnerships	2,435	2,633	2,669	36	4	-9	
14,840,848	Learning Disabilities Services	16,194	15,906	15,754	-152	5	-138	125
4,547,002	Mental Health Services	5,124	5,076	4,770	-306	6	-275	-150
5,267,447	Procurement & Contracts Compliance	5,185	5,049	4,353	-696	4	-678	
274,855	Drugs and Alcohol	257	257	227	-30	7	-5	0
0	PCT Funding (Social Care & Health)	0	0	0	0		0	0
27,658,765		29,195	28,921	27,773	-1,148		-1,105	-25
	Housing and Residential Services							
1,586,968	Housing Needs	1,173	2,503	3,000	497	8	327	700
111,499	Housing Strategy & Development	92	753	767	14	9	14	0
1,310,759	Residential Services	998	46	46	0		0	0
-5,201	Enabling Activities	-18	-18	-5	13	9	13	0
-1,606,933	Housing Benefits	64	-455	-455	0		0	0
0	Private Sector Housing	0	0	0	0		0	0
1,397,091		2,309	2,829	3,353	524		354	700
	Strategic Support Services							
8,573,765	Concessionary Fares	8,776	8,776	8,765	-11	} 10	-11	0
727,501	Customer Services	542	520	513	-7		-7	0
1,300,194	Performance & Information	1,543	1,536	1,422	-114		-71	0
197,324	Quality Assurance	199	192	197	5		5	0
0	Transforming Social Care	0	0	0	0		0	0
10,798,785		11,060	11,024	10,897	-127		-84	0
84,193,694	TOTAL CONTROLLABLE FOR ADULTS AND COMM	85,776	86,039	85,541	-498		-374	1,078
11,165,049	TOTAL NON CONTROLLABLE	1,381	6,857	6,854	-3	11	-3	0
9,773,453	TOTAL EXCLUDED RECHARGES	9,214	9,222	9,222	0		0	0
105,132,196	PORTFOLIO TOTAL	96,371	102,118	101,617	-501		-377	1,078

ACS 12007

Notes**1. AIDS/HIV Grant - Cr £78k**

It is currently anticipated that the AIDS/HIV budget will not be fully committed this year and that an underspend of £78k will assist in off-setting pressures within the Care Services division.

2. Assessment & Care Management - £231k

The variation can be analysed as follows:-

	November	October
	£'000	£'000
a) Domiciliary care & direct payments for older people	305	309
b) Residential/Nursing care and respite for older people	(129)	(134)
c) Residential and domiciliary care for people with physical disabilities	55	33
	<u>231</u>	<u>208</u>

- a) Although there has been a slight reduction in the forecast based on activity to date, expenditure on domiciliary care remains a pressure as more older people are maintained in their own homes rather than placed in residential care. The projected overspend takes account of savings of £539k as a result of inflationary increases to providers being lower than anticipated.

The projections include an assumption that the budget changes around charging income are fully realised (£191k). Income has been projected on September data, so the effects of the revised direct payment rates and the new charging policy effective from 16 May are now starting to be reflected.

- b) The budgets for residential, nursing and respite care for older people are forecast to underspend by £129k based on activity to date.
- c) The variation comprises a projected overspend of £64k on residential and nursing care, which is partially offset by an underspend of £9k on domiciliary care. This is based on activity to the end of November, however costs can change significantly if complex cases arise.

3. Direct Services - £100k

Latest monitoring of the Integrated Community Equipment Store (ICES) budget has shown increased activity over the past two months. With this rise and anticipated additional expenditure over the winter period, it is expected that the budget will overspend by £100k. This projection includes management action to contain the overspend.

Requests for additional funding from Bromley PCT have not been successful and other methods of funding the overspend are being investigated.

4. Commissioning & Partnerships - Dr £36k / Cr £696k

The 2011/12 budget includes a savings target £350k for efficiency targets for all suppliers, £300k for reduced commissioning of Supporting People Services and £500k for reduced funding of sheltered housing.

The projected underspend summarised below is additional to those savings and is analysed below.

	£'000	£'000
<u>Commissioning & Partnerships</u>		
Efficiency targets for all suppliers	(23)	
Non-achievement of staff turnover element in budget	7	
Carers budget	(95)	
Admissions avoidance overspend	<u>147</u>	
		36
<u>Procurement & Contract Compliance</u>		
Savings from sheltered housing higher than budgeted	(256)	
Savings from SP commissioning higher than budgeted (including FYE of savings achieved in 2010/11)	(253)	
Negotiated contract price increases lower than budgeted	<u>(187)</u>	
		(696)

5. Learning Disabilities Services - Cr £152k

Budgets for learning disabilities placements and domiciliary care and direct payments have been realigned across the divisions and the forecast for this month shows a projected underspend of £152k, which can be analysed as follows;

	£'000
a) Residential/nursing & supported living - reduced costs	(225)
b) Delayed Placements - Budget returned to Central Contingency	150
c) Staff vacancies, SLA's etc.	(77)
	<u>(152)</u>

a) Despite the pressure being contained in-year, the full year effect of the current activity is forecast to be an overspend of £125k for residential, supported living and domiciliary care and managers continue to work on ways to reduce this.

b) The budget includes £855k of growth for new clients coming through Transition in 2011/12. However there have been delays or revised assumptions for some these clients which has resulted in underspends, therefore £150k of the budget has been returned to the central contingency. The costs will come through in 2012/13 and will be covered from the growth provision included in the draft budget for the full year effect of new clients in 2011/12.

6. Mental Health Services - Cr £306k

The underspend arises partly from the full year effect of client moves during 2010/11 which resulted in more cost effective placements, from an increase in the use of flexible support rather than residential placements and from containing annual contract price increases due to providers.

7. Drugs & Alcohol Service - Cr £30k

The projected underspend of £30k comprises £5k on Young Peoples Substance Misuse and £25k on the main DAT budget, including £15k on the residential budget.

8. Housing Needs (Bed & Breakfast /Temporary Accommodation) - £497k

The budget is forecast to overspend by £327k, based on the latest information, as client numbers and unit costs continue to increase. The trend is set to continue throughout this year and the next and a full year effect of £700k is anticipated.

A recent report to the Adult and Community Services PDS (September 2011) highlighted issues in the housing market, rising approaches to the Council and the problems of obtaining temporary and permanent accommodation and the rising costs of each.

However, a number of initiatives are being pursued to seek to provide increased and reduced cost temporary accommodation and/or increase placements in the private rented sector to reduce the numbers in and costs of B&B.

An investment of £170k is proposed over the remainder of the financial year and into 2012/13 to address the problems. These include a range of enhanced "offers" to private landlords and letting agents to make properties available to Council nominees and enhanced offers to attract more temporary accommodation for leasing. The resulting savings in the nightly cost of and numbers in B&B will help to offset to the full year overspend in 2012/13 and future years.

The Portfolio Holder is asked to approve an in-year virement of £170k from the Procurement and Contract Compliance budget within the Commissioning and Partnerships Division to Housing Needs, to fund the initiatives to help reduce the cost pressures.

The overall budget for the Housing Needs service contains funding of a number of specific grants for a range of specific activities of around £820k received from the DCLG this year and last year. These include addressing overcrowding and underoccupation, a range of homelessness prevention work, financial advice and prevention of repossession for mortgage or rent arrears and a specific allocation of £150k to assist clients affected by the proposed reductions to the Local Housing Allowance (Housing Benefit) rates, currently being phased in (originally from April 2011 but subsequently a 9 month transition was agreed). These grants pay for a wide range of things including staff who work with landlords and clients on a range of schemes to provide accommodation for homeless people or help to keep those about to be made homeless in their rented or privately owned accommodation. It is also for pays for assistance with rent deposits and guarantees plus a wide range of incentives to landlords or lenders to avoid repossession or obtain access to properties for Council nominations.

The introduction of the transition period for the reduction in Local Housing Allowance means that the timing of commencement of usage of this grant had to be rephrased from April 2011 to January 2012. This, coupled with the difficulties in accurately forecasting outputs and spend on this wide range of initiatives means that there could be the need for some carry forward at the end of the financial year, to enable the planned schemes and critical work on the rephrased LHA reductions to take place after April 2012.

9. Enabling Activities £13k / Housing Strategy & Development £14k

Interest rates and mortgage balances have fallen over the last few years resulting in reduced income from interest on mortgage repayments. The anticipated shortfall in income this year is £27k.

10. Strategic Support Services Cr £127k

The net underspend can be analysed as follows:

	£'000	£'000
Performance & Information		
- Director vacancy	(71)	
- Learning & Development savings	(32)	
- Staff vacancies	(11)	
	<hr/>	(114)
Concessionary Fares		(11)
Quality Assurance		5
Customer Services		(7)
		<hr/> <hr/>
		(127)

11. Non-Controllable budgets Cr £3k

For information here, the variations relate to a net shortfall within property rental income budgets across the division. The Property division within the Renewal & Recreation Department are accountable for these variations.

Waiver of Financial Regulations

There have not been any waivers since the last report to the Executive.

Virements approved under Director's delegated powers

No virements have been approved under delegated powers since the last report to the Executive.

LATEST APPROVED BUDGET 2011/12
Adult & Community Services Portfolio

BUDGET VARIATIONS

	£'000	£'000
2011/12 Original Budget		96,371
Carry forwards from 2010/11:-		
<u>Agreed by Executive on 20/07/11</u>		
Choice Based Lettings		15
Hospital Discharge/Reablement Funding via PCT		
- Expenditure		98
- Income		Cr 98
Social Care Funding via PCT under S256		
- Expenditure		205
- Income		Cr 205
Social Care Reform (ACS)		
- Expenditure		521
- Grant Income		Cr 521
Joint Improvement Programme		
- Expenditure		20
- Grant Income		Cr 20
LD Revenue Campus Closure Grant (ACS)		
- Expenditure	459	
Housing Overcrowding Pathfinder Grant (ACS)	95	
Homelessness Prevention Grant	150	
Stroke Care Grant	90	794
Contribution from Earmarked Reserve	<hr/>	Cr 794
Total Carry forwards		<hr/> <hr style="border-top: 1px dashed black;"/> 15
General		
Government Grants Deferred - Removal of 2011/12 Budget Allocation		5,550
Homelessness Grant Income - Transferred to General "Local Services Support"		500
Return of LD Growth to Central Contingency		Cr 150
Total General		<hr/> <hr style="border-top: 1px dashed black;"/> 5,900
Budget Transfers / Other:		
Non-Controllable Budget - Property Rental Income		Cr 37
Additional charging income funding 2 posts in Exchequer		Cr 54
Out of Hours Contract to Customer Service Centre		Cr 25
Contribution to BSSD additional call volumes		Cr 15
Landlord Building Maintenance virements (non-controllable)		Cr 37
Total Budget Transfers / Other:		<hr/> <hr style="border-top: 1px dashed black;"/> 168
Total Variations		<hr/> <hr/> 5,747
2011/12 Latest Approved Budget		<hr/> <hr/> 102,118

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ACS 12002

<u>SECTION 1 BUDGET OPTIONS</u>	2012/13 Budget £'000	2013/14 Budget £'000
1 SAVINGS ALREADY DELIVERED OR ABLE TO BE DELIVERED	780	780
		Additional income from Charging (£250k), Sheltered Housing (£100k), In-house Homecare (£280k), reduction in bad debt provision (£75K), other (£75k)
2 SENIOR MANAGEMENT SAVINGS	150	300
		Review of 2nd, 3rd and 4th tier officers
3 OTHER STAFF SAVINGS	50	250
4 STAFFING CHANGES/CHANGE IN SERVICE DELIVERY/OTHER	50	150
		Reduce budget for L&D consultants
5 SAVINGS THROUGH OUTSOURCING/SERVICE REDESIGN	225	1,450
		Direct Care Services
6 INVEST TO SAVE BIDS (ALREADY APPROVED BY EXECUTIVE)	375	900
		Reduce growth in Physical Disabilities, older people with dementia and Learning Disabilities
7 REDUCTION IN GROWTH -FOUR YEAR FORECAST	200	300
		Reduction in Learning Disabilites growth using campus reprovision funding (transfer from NHS did not allow for attrition)
TOTAL	1,830	4,130

ACS12002

Overall Savings across all Departments for 2013/14 (Mainly full year effects)

REF	Department	Budget 2011/12 £'000	Budget Option Identified	Savings 2013/14 £'000	Possible Impact on Other Service / Notes
	Adult & Community Services				
1	Strategy Division	525	Learning & Development Savings	50	Learning & Development expenditure covers the entire Social Care workforce, including external providers (e.g. domiciliary care providers, care homes, etc.)
2	Care Services	-4,160	Charging	100	New Contribution Policy implemented in 2011/12 which will generate additional savings.
3	Care Services	-35	Increased savings from Extra Care	15	
4	Commissioning & Partnership	2,998	Reduce commissioning of supporting people services	300	Will affect levels of service delivered and relies upon successful commissioning activity.
5	Commissioning & Partnership	66,533	Efficiency targets for all suppliers	300	This will involve continued negotiations with contractors of below inflation increases, no increases or reductions in annual costs.
				765	

ACS12002

Dept	No	Service area	2011/12	Saving in 2012/13	Saving in 2013/14	Possible Impact on Service / Notes
			Budget £'000	Cumulative £'000	Cumulative £'000	
		REDUCTION IN SERVICE/CEASING OF SERVICE				
ACS	1	Older people's Day Care	965	0	500	Currently 1500 places provided per week in 10 Day Centres, including 4 specialist centres, with 752 people attending each week. The proposal is to shift the emphasis on specialist places for those that meet the eligibility criteria, with a reduction in the overall number of places available. May have an effect on other more intensive services over time i.e. personal care, respite care, residential care, as day care is often part of a wider package of support being provided by family carers. Any reduction in income has already been factored in the charging income figures.
ACS	2	Further contract efficiencies across ACS	25	25	25	Part of continued contract efficiencies with providers.
CYP/ACS	3	Transformation of Children & Adult Care Services		0	500	Future costs pressures from high cost placements and aging population could mean that any savings delivery are not realised. £1m split notionally 50/50.
		Sub-Total		25	1,025	
		FUNDING TO VOLUNTARY SECTOR ETC				
ACS	4	Reduce funding to Citizens Advice Bureau	245	32	73	The CAB provides free, impartial, advice and information and is available to all residents. The funding reduction through contractual arrangements is part of the wider review undertaken on information, advice and guidance services.
ACS	5	Support planning and brokerage service for ineligible service users	100	50	100	Approximately 420 older people who fall outside the eligibility criteria, receive services designed to provide targeted support for a period of time (moderate needs). Information, advice and guidance services are provided for people with learning disabilities who do not meet eligibility criteria, but who need low level support. The service supports around 135 people pa. The potential for different models of service and charging for services could minimize the impact of any long-term effect on care services.
ACS	6	Mental health day & support services	387	0	75	Day centres for adults with mental health needs, provide employment support, training courses, peer support, benefits advice to approximately 450 service users per annum and includes a high proportion of people not eligible for services under the FACS criteria. This may impact longer term on other services.
ACS	7	Disability work schemes	525	0	100	Current employment support services work with people who may otherwise be unable to access employment opportunities. Potential to achieve efficiencies in contracts with providers.
ACS	8	Carers organisations	400	0	100	Potential to achieve efficiencies from joint contracts and funding with PCT. Approx 4000 carers supported by range of services. May have an effect on other more intensive services over time i.e. personal care, respite care, residential care as is often part of a wider package of support being provided by family carers.
		Sub-Total		82	448	
		TOTAL		107	1,473	

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